A copy of this Prospectus has been filed with the Registrar of Joint Stock Companies in Mysore.

THE SUBSCRIPTION LIST WILL BE OPENED ON 25TH MAY 1936 and WILL BE CLOSED ON 10TH JUNE 1936.

THE MYSORE PAPER MILLS, LIMITED, BANGALORE.

(Incorporated under the Mysore Companies Regulation VII of 1917.)

Authorised Capital .. ..*Rs.* 25,00,000-

Divided into 2,50,000 *Shares of Rs.* 10 *each.*

To be paid as follows :—

Rs. 2 per share on application,

Rs. 2 per share on allotment,

and the balance in calls of Rs. 2 each per share at intervals of not less than two months between each call.

The Government of Mysore have agreed to take up 25,000 shares.

DIRECTORS.

1. Rajamantrapravina Diwan Bahadur K. MATTHAN, B.A., *Retired Member of Council, Chairman, The Board of Management, The Mysore Iron & Steel Works, Bhadravati, Chairman and Managing Director, The Mysore Sugar Co., Ltd., Bangalore* (Government Director & Chairman).

2. M. Ct. M. CHIDAMBARAM CHETTYAR, ESQ., *Chairman, Board of Directors, United India Life Insurance Co., Director, Indian Bank, Ltd., Madras, " Bedford House," Vepery, Madras.*

3. Rao Bahadur V. THIRUVENGADATHAN CHETTY, *Managing Partner, Messrs. Hoe & Co., Madras.*

4. P. SUBBARAMA CHETTY, ESQ., M.L.C., *President, Mysore Chamber of Commerce, Director, The Bank of Mysore, Ltd., Bangalore, and Chairman, Board of Directors, Vysya Bank, Limited, Bangalore.*

5. Capt. Rao Saheb, A. THANGAVELU MUDALIAR, *Merchant, Director, The Bangalore Woollen, Cotton & Silk Mills Co., Ltd., Bangalore, " The Mansion," Spencer Road, Bangalore.*

6. D. N. SIRUR, ESQ., *of N. Sirur & Co., Managing Agents, The Mysore Spinning & Manufacturing Co., Ltd., Minerva Mills, Ltd., Bangalore, and Sri Krishnarajendra Mills, Ltd., Mysore, Merchant, 70, Forbes Street, Fort, Bombay.*

7. M. RAMACHANDRA RAO SINDIA, ESQ., M.L.C., *Merchant and Partner, Sri Ramakrishna Oil Mills, Director and Secretary, B. C. L. Ry. Co., Ltd., Bangalore.*

8. M. MACHAYA, ESQ., B.A. (OXON.), *Chief Conservator of Forests in Mysore, Bangalore* (Government Director).

9. M. VENKATANARANAPPA, ESQ., B.A., *Secretary to Government, Development Department, Bangalore* (Government Director).

SECRETARY.

M. L. NARASIMHA IYENGAR, ESQ., B.A., B.E., A.M.I.E., " *Santhi Bhavan," Seshadri Road, Bangalore.*

AUDITORS.

S. R. MANDRE, ESQ., M.A., B.COM., F.S.A.A., R.A., *Incorporated Accountant (London), 471, Nagartharpet, Bangalore City.*

BRAHMAYYA & CO., *Incorporated Accountants & Registered Accountants, 121, Armenian Street, Madras.*

BANKERS.

THE IMPERIAL BANK OF INDIA, *Bangalore.*

THE BANK OF MYSORE, LTD., *Bangalore.*

LEGAL ADVISER.

A. R. NAGESVARA IYER, ESQ., B.A., B.L., *Government Advocate, Bangalore.*

REGISTERED OFFICE.

" SANTHI BHAVAN," *Seshadri Road, Bangalore.*

PROSPECTUS.

1. The Company has been formed for the objects set forth in the Memorandum of Association and in particular to manufacture pulp and paper at Bhadravati in the Mysore State.

2. At present the consumption of paper per head of the population is very low in India and it can be confidently expected that with the spread of education, the consumption will increase much more rapidly hereafter. The present demand is met to the extent of about 45,000 tons by the Mills in India and the balance of about 68,000 tons is imported from abroad and of this, the quantity subject to the protective duty is about 11,000 tons. Though it is not possible to manufacture at present in India all the varieties imported, it is believed that a fairly good percentage could be replaced by local manufacture.

3. There is at present a protective duty of $1\frac{1}{4}$ anna per lb. on printing paper which contains no mechanical wood pulp or in which the mechanical wood pulp amounts to less than 70 per cent. of the fibre content, writing paper, and all other sorts not specially mentioned in the schedule. Even the Revenue Duty on the unprotected varieties of paper varies from 25 to 30 per cent. *ad valorem.* Wood pulp is subject to a protective duty of Rs. 56-4-0 per ton. The present scheme of protection expires in March 1939 but it is hoped that suitable assistance will be continued to the industry.

4. During the last few years, considerable research and investigations have been made in the use of bamboo as a raw material for the manufacture of Pulp and the initial difficulties have been overcome and processes perfected to suit the raw material.

5. The Paper Mills that are now working in India are mostly in Bengal and near Bombay. A mill is being put into operation near Rajahmundry. But there is no factory of any magnitude in South India.

6. Bhadravati offers exceptional facilities for the establishment of a pulp and paper plant.

It is situated on the banks of a perennial river, the Bhadra, and the large quantity of water required for the plant is easily available and the water is of good quality.

For the supply of raw materials required for the Iron and Steel Works, tramways radiate from Bhadravati and run for a total length of about 100 miles through dense forests where wood and bamboo grow in abundance. Systematic operations for the collection of firewood are being conducted and other facilities are easily available, so that the bamboo can be cut and transported to the factory site at very favourable rates. Recently the Forest Department of the Government of Mysore have made a detailed survey of the bamboo resources and have come to the conclusion that a much larger quantity than what is required for the proposed plant is easily available within economic distance of Bhadravati. Full allowance has been made on the basis of the known data for the seeding and death of bamboo.

The Mills are proposed to be located close to the Mysore Iron and Steel Works and power, railway siding, workshop and other facilities can be arranged on advantageous terms. Sufficient trained and ordinary labour is available.

Bhadravati also forms a convenient distributing centre for the State of Mysore, the Southern Maharatta country, Hyderabad and some of the Districts of the Madras Presidency, which form its favourable geographical market.

The facilities available should make the operations economical in spite of the distance from the coal fields which increases the cost of coal.

7. The plant proposed to be installed is designed to manufacture daily 17 tons of Chemical Pulp, which will be mostly utilised for the manufacture of about 15 tons of writing, printing, Badami paper, typewriting paper and wrappings, including certain varieties of paper not at present made in India. The small surplus of about 2 tons of Pulp is intended to be sold in India if considered desirable. In designing the plant, the possibility of future extensions of both the pulp and paper departments has been kept in view. The design of the plant is modern and up-to-date and incorporates all improvements calculated to keep down the working costs.

8. The Government of Mysore who have made the preliminary investigations through the Board of Industries and Commerce are prepared to give the following facilities and concessions :—

(*a*) They will subscribe ten per cent of the capital.

(*b*) They will give, free of cost, the necessary extent of land in close vicinity of the Mysore Iron and Steel Works for the construction of the plant and quarters for the staff.

(*c*) They will undertake to supply the raw materials required, about 14,000 tons of bamboo, at Rs. 12 per ton delivered at the factory sidings. The rate will be subject to revision at the end of five years.

(*d*) They will supply electric power at ·55 of an anna per unit during the day and ·35 of an anna during the night.

(*e*) They will allow the Paper Factory to take the tramway, and metre gauge sidings from the tracks of the Mysore Iron and Steel Works.

(*f*) They will arrange with the Mysore Iron and Steel Works for hauling wagons between the Mills and the railway station at rates to be mutually agreed upon. They will similarly afford workshop and other facilities to the Mills and medical and educational amenities to the staff.

(*g*) They will purchase the varieties of paper manufactured by the factory to the extent of their requirements provided quality and price are satisfactory.

9. With the facilities available, it is anticipated that the capital cost can be kept very low. The estimate of the capital outlay is Rs. 21 lakhs, Rs. 19.5 lakhs for buildings, plant, machinery, water-supply, steam plant and electrolyser equipment, fully erected and Rs. 1.5 lakhs for the provision of quarters for the staff and other amenities. The working capital required has been calculated at Rs. 4 lakhs.

10. The cost of production of a ton of white paper including depreciation has been estimated not to exceed Rs. 250 a ton and the nett selling price may be taken at Rs. 350 a ton. The normal output should be 4,500 tons of paper and about 600 tons of pulp. Assuming, however, an output of 4,000 tons of paper without any surplus pulp, the margin will be Rs. 4 lakhs a year which should yield a handsome dividend after providing for the usual reserves.

11. The Company will be under the management of a Board of Directors which will consist of nine members of whom, three including the Chairman, will be nominated by the Government of Mysore. The appointment of the General Manager and that of the Secretary to the Board will be subject to approval of the Government. The qualification of a Director other than a Government Director will be the holding of 500 shares in the Company of the nominal value of Rs. 5,000. The sitting fees of the Directors including the Government Directors, shall be a sum not exceeding Rs. 25 each and in the case of the Chairman a sum not exceeding Rs. 35 for every meeting of the Board attended by them. They will be paid travelling expenses for attending the meetings.

12. None of the Directors has any interest in the promotion of this Company.

13. Preliminary expenses including brokerage will not exceed Rs. 15,000.

14. A brokerage not exceeding $\frac{1}{4}$ per cent. will be allowed to Banks or recognised Brokers on all applications for shares submitted by them.

15. The minimum subscription on which the Directors may proceed to allotment is 75 per cent of the authorized capital.

16. A copy of the Company's Memorandum of Association is attached to this Prospectus and forms part of it.

17. Applications for shares should be made in the form accompanying this Prospectus and should be forwarded with the deposit direct to the Company's Registered Office at Bangalore, or the State Huzur Treasury, District and Taluk Treasuries in the Mysore State, The Imperial Bank of India and its branches, and The Bank of Mysore, Limited, Bangalore, and its branches.

18. Subscription List will be closed on 10th June 1936 or earlier in case the total capital is subscribed before that date.

19. Where no allotment is made, the deposit will be returned in full, and where the number of shares allotted is less than the number of shares applied for, the balance of the deposit will be applied towards the payment of the amount of the allotment money.

20. Copies of the Prospectus and forms of application can be had at the following places :—

(*a*) The Registered Office of the Company at Bangalore ;
(*b*) All Government Treasuries in the Mysore State ;
(*c*) The Imperial Bank of India and its branches ;
(*d*) The Bank of Mysore, Limited, Bangalore, and its branches.

K. MATTHAN.
M. CT. M. CHIDAMBARAM CHETTYAR.
V. THIRUVENGADATHAN CHETTY.
P. SUBBARAMA CHETTY.
20th May 1936. A. THANGAVELU MUDALIAR.
D. N. SIRUR.
M. RAMACHANDRA RAO SINDIA.
M. MACHAYA.
M. VENKATANARANAPPA.

MEMORANDUM OF ASSOCIATION OF THE MYSORE PAPER MILLS, LIMITED, BANGALORE.

I. The name of the Company is "*The Mysore Paper Mills, Limited.*"

II. The Registered Office of the Company will be situated in Bangalore.

III. The objects for which the Company is established are all or any of the following :—

1. To carry on the business of manufacturers of and dealers in all kinds and classes of paper, Board and Pulp including writing paper, printing paper, absorbent paper, newsprinting paper, wrapping paper, tissue paper, cover paper, blotting paper, filter paper, antique paper, ivory-finish paper, coated paper, art paper, bank or bond paper, badami, brown or buff paper, bible paper, cartridge paper, cloth-lined paper, azure-laid and wove paper, cream-laid and wove paper, grease-proof paper, gummed paper, hand-made paper, parchment paper, drawing paper, kraft paper, manilla paper, envelope paper, tracing paper, vellum paper, water-proof paper, carbon paper, sensitised paper, chemically-treated paper, litmus paper, photographic paper, glass paper, emery paper, etc., etc., paste-board, cardboard, strawboard, pulp board, leather board, mill board, corrugated board, box board, post-cards, visiting cards, etc., etc., soda pulp, mechanical pulp, sulphite pulp, etc., etc., and all kinds of articles in the manufacture of which in any form, paper, board or pulp is used, and also to deal in or manufacture any other articles or things of a character similar or analogus to the foregoing or any of them or connected therewith.

2. To plant, cultivate, produce and raise, purchase or sell or otherwise handle or deal in grass, timber, wood, bamboo, straw, cotton, jute, flax, hemp, sugarcane, leather, asbestos, rags, waste paper, gunnies, water hyacinth, jute sticks or other fibres, fibrous substances or other things as may furnish materials for pulp, and for paper or board manufacture in any of its branches or as may be proper or necessary in connection with the above objects or any of them.

3. To purchase, sell or carry on the business of manufacturers of dye stuff, tanning and bleaching materials, chemicals, drugs, glue, rosin, cellulose, spirits, turpentine, soap, salt, oil, lime, caustic soda, clay and other materials and substances used in the manufacture or treatment of paper, board and pulp.

4. To develop the resources of and turn to account any lands and any rights over or connected with the land belonging to or in which the Company is interested, in particular by clearing, draining, fencing, planting, cultivating, building, improving, farming, irrigating, grazing and by promoting immigration and emigration and the establishment of villages and settlements.

5. To carry on any other business, whether manufacturing or otherwise, which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or to render profitable any of the Company's property or rights.

6. To search for and to purchase or otherwise acquire from any Government, or any other authority, public or private, any licenses, concessions, grants, decrees, rights, powers and privileges whatsoever which may seem to the Company capable of being turned to account, and in particular any water rights or concessions either for the purpose of obtaining motive power or otherwise, and to work, develop, carry out, exercise, and turn to account the same.

7. To acquire and deal with the following :—

(i) The business, property and the liabilities of any Company, firm or person, carrying on any business within the objects of this Company ;
(ii) Lands, buildings, easements and other interests in real estate ;
(iii) Plant, machinery, personal estate and effects ;
(iv) Patents, patent rights or inventions, processes, devises, trade marks, formulas and other rights ;
(v) Shares or stocks or securities in or of any company or undertaking the acquisition of which may promote or advance the interests of this Company.

8. To perform or do all or any of the following operations, acts or things :—

(i) To pay the costs, charges and expenses of the promotion and establishment of the Company ;
(ii) To sell, let, dispose of or grant rights over all or any property of the Company ;
(iii) To erect buildings, plant and machinery for the purpose of the Company ;
(iv) To make experiments in connection with any business of the Company and to protect any invention of the Company by letters patent or otherwise ;
(v) To manufacture plant, machinery, tools, goods and things for any of the purposes of the business of the Company ;
(vi) To draw, accept and negotiate bills of exchange, promissory notes and other negotiable instruments ;
(vii) To underwrite the shares, stocks or securities of any other company and to pay underwriting commissions and brokerage on any shares, stocks or securities issued by this Company ;

(viii) To borrow money, or to receive money on deposits either without security or secured by debentures, debenture stocks (perpetual or terminable) mortgage or other security charged on the undertaking of all or any of the assets of the Company including uncalled capital;

(ix) To lend money and to invest money of the Company in such manner (other than in the shares of this Company) as the Directors think fit;

(x) To enter into arrangements for joint working in business or for sharing profits or for amalgamation with any other company, firm or person carrying on business within the objects of this Company;

(xi) To sell the undertaking and all or any of the property of the Company for cash or for stock, shares or securities of any other company or for other considerations;

(xii) To promote companies;

(xiii) To provide for the welfare of persons employed or previously employed and the wives, widows and families of such persons by grants of money or other aid or otherwise as the Company shall think fit;

(xiv) To subscribe to or otherwise aid benevolent, charitable, national or other institutions or objects of a public character which have any moral or other claims to support or aid by the Company by reason of the locality of its operations or otherwise and to make donations to such persons and in such cases as may seem expedient;

(xv) To distribute any specific assets of the Company amongst its members.

9. To do all or any of the things hereinbefore authorised either alone or in conjunction with or as factors, trustees or agents for others or through factors, trustees or agents.

10. To do such other things as are incidental and conducive to the attainment of the above objects or any of them.

IV. The liability of the members is limited.

V. The share capital of the Company is Rs. 25,00,000 divided into 2,50,000 shares of Rs. 10 each with power for the Company to increase or reduce the said capital and to issue any part of its capital, original or increased, with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare, every issue of shares, whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained.

We the several persons whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

No.	Names and Addresses and Description of Subscribers	No. of Shares taken by each Subscriber	Witness to the signature
1	Rajamantrapravina Diwan Bahadur K. Matthan, B.A., Retired Member of Council, Bangalore.	200	
2	M. Ct. M. Chidambaram Chettyar, "Bedford House," Vepery, Madras.	10,000	
3	Rao Bahadur V. Thiruvengadathan Chetty, Managing Partner, Messrs. Hoe & Co., Madras	500	
4	P. Subbarama Chetty, M.L.C., Cloth Merchant, Chickpet, Bangalore City.	2,000	M. L. Narasimha Iyengar, B.A., B.E., A.M.I.E., "Santhi Bhavan," Seshadri Road, Bangalore.
5	Capt. Rao Saheb A. Thangavelu Mudaliar, "The Mansion," Spencer Road, Bangalore.	560	
6	D. N. Sirur, Merchant, 70, Forbes Street, Fort, Bombay.	1,000	
7	M. Ramachandra Rao Sindia, M.L.C., Merchant and Partner, Sri Ramakrishna Oil Mills, Bangalore.	1,000	
8	M. Machaya, B.A. (Oxon.), Chief Conservator of Forests in Mysore, Bangalore.	300	
9	M. Venkatanaranappa, B.A., Secretary to Government, Development Department, Bangalore.	600	

Dated 20th May 1936.

FORM OF APPLICATION WITH RECEIPT ATTACHED.

To

THE MANAGING DIRECTOR,

THE MYSORE PAPER MILLS, LIMITED,

BANGALORE.

SIR,

I/We beg to hand you herewith Rs.....being a deposit of Rs. 2 per share on.....shares in the abovenamed Company, and I/we request you to allot me/us that number of shares on the terms of the Memorandum and Articles of Association of the Company, and I/we agree to accept the same or any smaller number that may be allotted to me/us.

Name in full.....

Address.....

Occupation.....

Date..... *Specimen Signature*.....

THE MYSORE PAPER MILLS, LIMITED, BANGALORE.

RECEIPT FOR DEPOSIT ON APPLICATION.

Received this day.....193 , on account of the Mysore Paper Mills, Limited, from Mr./Mrs./Messrs.....
.....of.....
the sum of Rs..... (Rupees.....
..... only) being the deposit money of Rs. 2 per share upon.....ordinary shares of Rs. 10 each of the abovenamed Company.

For The Mysore Paper Mills, Ltd.

Rs..... *Managing Director.*

Printed by the Superintendent at the Government Press, Bangalore—1936.